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Chairman and
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Federal Communications Commission
Office of the Secretary

June 9, 2004

The Honorable Michael K. Powell
Chairman
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

01-338

Dear Chairman Powell:

We are very pleased that the Solicitor General, with the support of the Administration, has decided not to seek a stay or an appeal of the D.C. Circuit Court's TRO decision. This is a major victory for consumers and the nation's economy and should create a positive environment for commercial negotiations to finally succeed.

To help ensure stability and continuity during this important transition to a rational, free-market-based approach to the industry and to help assure regulators, policymakers and consumers that there will be no marketplace disruption during the transition, SBC will continue providing to our wholesale customers the mass market UNE-P, loops and high-capacity transport between SBC's offices and will not unilaterally increase the applicable state-approved prices for these facilities at least through the end of this year.

SBC also remains committed to working with our wholesale customers to arrive at economically sustainable commercial wholesale agreements that meet everyone's business needs. Finally, we look forward to working with the FCC as the industry transitions to a regulatory model that puts its faith in free markets and consumer choice.

Sincerely,

Ed Whitacre

cc: Commissioner Kathleen Q. Abernathy
Commissioner Michael J. Copps
Commissioner Kevin J. Martin
Commissioner Jonathan S. Adelstein